Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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DA 09-1545

Released: July 16, 2009

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF THE HOME TELEPHONE COMPANY TO ARVIG ENTERPRISES, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 09-126

Comments Due: July 30, 2009

Reply Comments Due: August 6, 2009

On July 8, 2009, the Shareholders of Martinsen Communications, Inc. (Martinsen) and Arvig Enterprises, Inc. (Arvig) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules to transfer control of The Home Telephone Company (Home) from the current shareholders of Martinsen to Arvig. Martinsen, a Minnesota corporation owned by Reed T. Cowan (50 percent) and Scott W. Cowan (50 percent), both U.S. citizens, is a holding company that does not directly provide telecommunications services and wholly owns Home. Home, also a Minnesota corporation, is an incumbent local exchange carrier (LEC) serving approximately 1,780 access lines in the Grand Meadow, Racine, and Wykoff exchanges in Mower and Fillmore Counties in southeastern Minnesota. Home also resells long distance toll services within its local exchange service area. Arvig, a Minnesota corporation, wholly owns six incumbent LECs serving 27 rural exchanges in central, west central, and northwest Minnesota² and Tekstar Communications, Inc. that provides competitive LEC services and resold long distance services in 15 central Minnesota exchanges in which Qwest Corporation is the incumbent LEC and in four central Minnesota exchanges in which Sprint Minnesota, Inc. is the incumbent LEC. Arvig also owns 33 percent of Hector Communications Corporation, a holding company that owns nine incumbent LECs in Minnesota, Wisconsin, and North Dakota.³ Applicants state that the local exchange service area of Home does not overlap and is not adjacent to the local exchange service areas of Arvig and its subsidiaries or affiliates

¹ 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing an application for a transfer of control associated with authorization for wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² The incumbent LECs are East Otter Tail Telephone Company, Twin Valley-Ulen Telephone Company, Callaway Telephone Company, The Peoples Telephone Company of Bigfork, Midwest Telephone Co., and Osakis Telephone Company.

³ Arvig and its subsidiaries and affiliates have ownership interests in various other entities that provide telecommunications services in Minnesota and several other states.

The following U.S. citizen and U.S.-based entity own 10 percent of Arvig: Allen Arvig (29.34 percent) and Arvig Employee Stock Ownership Trust (36.70 percent). Applicants state that no other individual or entity will own or control at least 10 percent of Home, Martinsen, or Arvig after the proposed transaction. Pursuant to the terms of the proposed transaction, Arvig will acquire 100 percent of the Class A and Class B capital stock of Martinsen, and Martinsen will become a wholly owned subsidiary of Arvig. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.⁴

Domestic Section 214 Application Filed for the Transfer of Control of The Home Telephone Company to Arvig Enterprises, Inc., WC Docket No. 09-126 (filed July 8, 2009).

GENERAL INFORMATION

The Wireline Competition Bureau finds, upon initial review, that the transfer of control identified herein is acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 C.F.R. § 63.03(a), interested parties may file comments **on or before July 30, 2009,** and reply comments **on or before August 6, 2009**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.⁵ Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's e-Rulemaking Portal. *See* 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically"); *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, http://www.fcc.gov/cgb/ecfs/, or the Federal e-Rulemaking Portal, http://www.regulations.gov.
 Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

In addition, e-mail one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;

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⁴ 47 C.F.R. § 63.03(b)(2)(iii).

⁵ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- 3) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Jodie May at (202) 418-0913.